GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1442
ANSWERED ON:10.03.2008
INCREASE IN PRICES OF ONION
Sen Smt. Minati

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the steep increase has been noticed in the prices of onion as the production is likely to be decreased during the ensuing season;

(b) if so, the details thereof; and

(c) the steps taken by the Government to check the price rise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a)&(b): The movement of monthly Index for Wholesale Prices (WPI) for onion initially increased from 114.6 in March 2006 to 322.8 in November 2007 but subsequently weekly WPI for onion decreased from 268.7 on 1-12-2007 to 169.4 on 16-2-2008. Onion production estimated at 8682.6 thousand tonnes in 2005-06 reduced to 7158.4 thousand tones in 2006-07, which amounts to a reduction of 17.6%.

(c): Export of onion has declined from 10,67,378 MTs during last year (upto 28.2.07) to 8,21,712 MTs in the current financial year (upto 16.02.08). The National Agricultural Cooperative Marketing Federation (NAFED), as a corrective measure, reduced the Minimum Export Price (MEP) of onion and started commercial purchases in Nasik from 1.2.2008. This will help in stabilizing the market prices for onion. Other measures taken to stabilize the price of onion are regular monitoring of prices and market arrivals.